

GANG, KOPP & TYRE
ATTORNEYS AT LAW

MARTIN GANG
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June 13, 1950

401 TAFT BUILDING
LOS ANGELES 28
HILLSIDE 4111

Dr. May E. Romm
10527 Wilshire Boulevard
Los Angeles 24, California

Dear Dr. Romm:

At your request, I am writing to explain to you the status of the newly formed, non-profit corporation, THE INSTITUTE FOR PSYCHOANALYTIC MEDICINE OF SOUTHERN CALIFORNIA.

This organization was incorporated under the laws of the State of California as a non-profit corporation on May 23, 1950, after receiving a certificate of exemption from franchise tax from the State of California, in accordance with the provisions of the Franchise Tax Act. This means that so long as the corporation carries on its activities as presently contemplated for scientific and educational purposes only, and in accordance with the provisions of its articles of incorporation, which provide that no part of the proceeds or profits can inure to the benefit of any person, firm or corporation, the corporation will not be required to pay California income taxes.

The Federal Government has the same provision with respect to exemption of income taxes as does the State, except that the claim for exemption from United States income taxes is only allowed after the first income tax return has been filed.

It is anticipated, however, that since the articles of incorporation expressly preclude the possibility that any of the corporate profits will inure to the benefit of any individual, and since the corporation is organized for educational and scientific purposes and otherwise strictly complies with the provisions of the Federal law, that the corporation will also be exempted from the United States income tax when the first year has elapsed.

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Claim for such exemption will be made at the appropriate time.

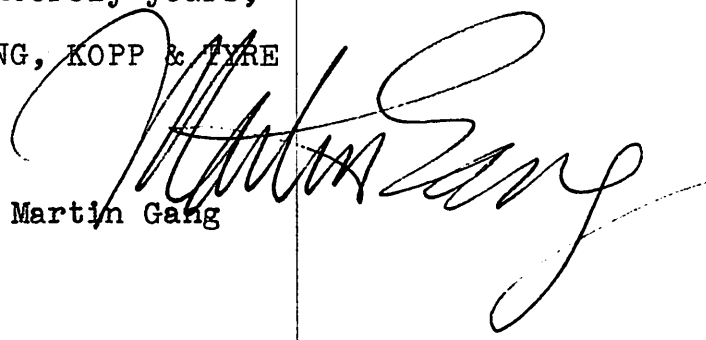
With kindest personal regards,

Sincerely yours,

GANG, KOPP & TYRE

By

Martin Gang

A large, stylized handwritten signature in cursive script, appearing to read "Martin Gang", is written over the typed name and extends to the right side of the page.

MG:aa

